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EUROPEAN COUNCIL, LUXEMBOURG  
27 - 28 APRIL 1980

THREE WISE MEN, PRESIDENT OF THE NEW COMMISSION AND SEAT OF THE  
EUROPEAN PARLIAMENT

Brief by Foreign and Commonwealth Office

Attached at Annexes 1 - 3 are briefs on

1. Wise Men's Report
2. President of the Commission
3. Seat of European Parliament

FOREIGN AND COMMONWEALTH OFFICE

16 April 1980

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## THREE WISE MEN'S REPORT

## OBJECTIVES

Wise Men's Report

1. Ensure that Wise Men's Report is not shelved.
2. Postpone substantive discussion until June European Council.

## POINTS TO MAKE

General Attitude

3. Welcome thorough, useful Report. Full of sound ideas; can agree with most of it and hope it will be new impetus to working of Community institutions. Important to act on as many proposals as possible.

Timing and Procedure

4. Useful work by Foreign Ministers. They should complete their task in time for decisions on all aspects to be taken at June European Council. Detailed discussion now premature.

Procedure for Appointment of next President of Commission

5. Agree next President should be appointed six months before takes office (January 1981).

Consultation with Parliament on new President

6. Stick to present position under Treaties. Member of Commission appointed by common accord of Governments of Member States. No role provided for Parliament to whom, in any case, Commission is accountable and to whom new Commission customarily submits its programme soon after taking office.

Reduction in size of Commission

7. We have not yet made up our minds on this.

## BACKGROUND

References:

- A Wise Men's own summary of Report [Report itself too long to duplicate but copies will be made available to those who need to have it];
- B Presidency Paper - report of Ministerial examination of Report;
- C 1977 Agreement on European Council procedures.
8. The Dublin European Council asked Foreign Ministers to

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examine the Report with a view to preparing the discussion at this meeting of the European Council. This work is not yet complete.

9. Detailed discussion is therefore unlikely. The Presidency will report that a final report will be made to the Venice European Council (June).

Procedure for Appointment of next President of Commission

10. The Italian Presidency want a preliminary discussion so that a decision can be taken that Mr Jenkins' successor should be chosen at the June European Council i.e. six months before taking office, as proposed by the Wise Men.

Consultation with Parliament on new President

11. The Dutch have raised the possibility of consulting the Parliament about the nomination of the new President of the Commission. It is not clear whether this will come up at the European Council.

Number of Commissioners

12. The Italians will also suggest discussion of the Wise Men's proposals for a reduction in the number of Commissioners to one per Member State after enlargement. The Danes, backed by the Italian Presidency, have suggested the decision should be taken now to make the reduction on Spanish/Portugese Accession (possibly 1983). Ministers in the UK have not yet fully considered the question.

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PRESIDENT OF THE NEW COMMISSION

OBJECTIVES

1. Get agreement on need for strong, independent President; but no need for a choice until June.

POINTS TO MAKE

2. UK has no candidate; interested to hear views of others. Can accept that the new President should come from one of the small Member States. Must be a substantial political figure.

BACKGROUND

3. Since Mr Jenkins is the outgoing President, the UK has no direct interest beyond seeing the appointment of an efficient and independent President. Names mentioned so far as candidates are: Gundelach (Denmark), who has the support of the Danish Government, Thorn (Luxembourg) and possibly, van der Stee (Netherlands) and, before he became Foreign Minister, Colombo (Italy).

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SEAT OF THE EUROPEAN PARLIAMENT

OBJECTIVES

Seat of the European Parliament

1. Avoid offence to Luxembourg/France; but also avoid any agreement which made more permanent the present, provisional position.

POINTS TO MAKE [DEFENSIVE]

2. Have some sympathy with MEP's who find present arrangement unsatisfactory; but no direct UK interest other than in efficiency and economy. Decision is for Member States, not the Parliament to take.

3. Until permanent Seat is fixed the Parliament may continue the established practice and choose itself between Luxembourg and Strasbourg for its sessions.

BACKGROUND

4. Luxembourg may raise this question at or in the margins of the Council.

5. Since direct elections in June 1979 there has been growing dissatisfaction among MEPs about the arrangements governing where the Parliament meets. UK MEPs have been in the lead in pressing for a decision to be taken on a permanent seat.

6. Under the Treaties the place of work for the Community's institutions is only provisional. Decisions on a permanent seat have still to be taken by the Governments of the Member States by common accord. The Institution most affected is the European Parliament. Its Secretariat is in Luxembourg, its plenary sessions have traditionally been held in Strasbourg and Luxembourg and its Committees meet in Brussels. This is expensive and inefficient.

5.

/7. France

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7. France and Luxembourg both attach great importance to maintaining their position as one of the provisional places of work for the Parliament. So does Belgium who recognises, however, that her interests are best served by lying low in the hope that eventually the rest of the Community will come to accept the advantage of siting the Parliament as well as the Council and the Commission in Brussels. The position is further complicated by the argument, gaining currency in the Parliament, that the latter has the right to fix its own working place in the absence of a decision by the Council on a permanent site.

8. The UK could not hope to get agreement on London as the site. Our main interest is therefore operational efficiency and keeping the cost down. We also have a strong negative interest in not offending Luxembourg or French susceptibilities. And we have to bear in mind our relations with our own MEPs.

FOREIGN AND COMMONWEALTH OFFICE  
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We have prepared this summary solely for the convenience of readers of our report. It is not a part of the report.

Barend BIESHEUVEL  
Edmund DELL  
Robert MARJOLIN

The European Council has asked us to make proposals on adjustments to the machinery and procedures of the Community institutions. We are well aware that the most fundamental causes of weakness in the functioning of the Community do not arise from mechanisms and procedures. The latter play, in fact, only a secondary role. The more serious obstacles are the economic difficulties and divergences of interests and views among the Member States.

The Community is likely to find itself facing real and fundamental problems in the coming years. Moreover, the number of Member States is to be increased during the same period. We must at least ensure that the institutions, rather than aggravating the difficulties by their inefficiency and the dispersion of effort, provide all the conditions for tackling them with the maximum chance of success.

We have tried not so much to fix new detailed rules for the functioning of a Community of Twelve as to propose practical adjustments which can be made here and now to the activities of Community institutions. If these recommendations are adopted, we believe they will result in the new members entering a Community that is more dynamic, more efficient and better prepared to receive them.

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Due credit must be given to the Community's achievements. The greater part of the Treaties has already been implemented. Co-operation among Member States has been extended well beyond the letter of the Treaties. But the Community faces difficulties in building new common policies, often without precise Treaty guidelines. Moreover, the multiplication of the Community's tasks and their growing diversity have considerably increased the "lourdeur" of the Community's institutional apparatus. The latter has become both more complex and less efficient.

Our proposal is to improve the functioning of the apparatus by means of the definition of priorities and the clear identification of responsibilities. In our report we have deliberately set aside any kind of ideological approach. The intention is not to modify the institutional balance. Instead we suggest practical ways of improving the functioning of each institution.

The creation of the European Council was in itself a pragmatic response to the Community's institutional difficulties. It has become an effective source of political guidance in the Community.

The task is to find the right balance between freedom and discipline in the European Council's proceedings. The operational solutions already developed to this end should be reaffirmed and reinforced: limited agendas, limited attendance, coherent preparation and follow-up, early circulation of documents, Presidency responsibility for drafting clear and accurate conclusions. We have examined the idea of a longer-term Presidency for the European Council and it seems to us that it would present real difficulties in the present state of the Community.

There is considerable scope for improvement in the European Council's relations with the Treaty institutions. Our specific suggestions for preserving the role of the Council of Ministers, strengthening the Commission in its collaboration with Heads of Government, and establishing direct relations between the European



Council and Parliament, are designed to integrate the European Council so far as possible within the normal framework of inter-institutional relations. To make full use of its potential for political guidance, we propose that the European Council should adopt before 1981, in collaboration with the Commission, a master plan of priorities indicating the main tasks and directions for progress for the Community as a whole. This master plan must be precise and practical, a declaration of intent rather than a pious hope.

The European Council is responsible for reviewing the whole range of Member States' common action, whether it has a strictly Community character or not - as is the case notably for Political Co-operation. It has, therefore, a certain choice among the procedures to be used particularly for new actions. Priority must be given to the application of Article 235. But if it appears impracticable to apply this procedure, action in common by other methods which allow the Community to make progress should not be ruled out a priori.

The Council of Ministers in its various formations, and the associated machinery, are producing results which do not match up to the amount of effort deployed. The burden of work is becoming impossible to handle and the efforts of the various subordinate bodies and of the specialized formations of the Council are insufficiently co-ordinated. To tackle these problems, the clearer definition and more efficient execution of the responsibilities of the Presidency seem to us essential. Each Presidency should establish its work programme, respecting the priorities defined by the European Council, and should report on the execution of the programme at the end of its term. The authority of the Presidency in enforcing procedures, and in establishing the agenda, should be clearly recognized. The Presidency should be free to lighten its own load by entrusting particular dossiers to other members of the European Council, the Council of Ministers or subordinate organs. Other options, such as a change in the rotation of the Presidency and the "troika" formula, are rejected.

The Council itself must be free to concentrate on the genuinely political issues. This means making wider use of delegation to the Commission; and giving more room for manoeuvre to the Committee of Permanent Representatives and the lower-level bodies. We do not recommend altering the status of Permanent Representatives. Procedures for taking decisions must be as economical as possible. The "Luxembourg Compromise" has become a fact of life in the Community. Each State must be the judge of where its very important interests lie. But if all States feel sure they will not be overruled on matters involving such interests for them, they should all accept voting as the normal practice in all cases where the Treaty does not impose unanimity and no very important interests are involved.

The working groups below COREPER should not, as too often happens, be left to their own devices. The Presidency, helped by the Council Secretariat and in liaison with the Commission, has special responsibility for co-ordinating their work within the framework of agreed priorities and for avoiding unnecessary delays.

Horizontal co-ordination is also essential to counteract the fragmentation and dispersion of Community activities. While it cannot retrieve the dominant position it held in the early years, the Council of Foreign Ministers should continue to play a central role. Certain specialized Councils might hold less frequent meetings.

National administrations can make a further, very significant contribution to the proper functioning of the Communities. Co-ordination of Community affairs is carried out by very different methods from one capital to another. We do not seek to impose a single stock model on practices which have been shaped by tradition and on structures which are often highly diverse. But it is vital that the capacity should exist in all Member States to produce, in good time, instructions which are both considered and coherent. The Permanent Representative can play

.../...

helpful role in this respect.

Finally, the Council does not operate in isolation. The Commission makes a contribution which is vital for its good functioning, and the Presidency should look after the quality of its relations with the Parliament.

The role and authority of the Commission have declined in recent years. The exercise of its right of initiative and its role as guardian of the Treaties, together with its management and implementing tasks, need to be made more effective and adapted to current circumstances. The number of Commissioners in the enlarged Community should be limited to twelve - one per Member State. The number of Directorates-General should be reduced and brought in line with that of Commissioners. The college of Commissioners should be more homogeneous and should act more as a collective body. Co-ordination between departments should be strengthened and the central services - budget, personnel, administration - grouped under the authority of the President. The President of the Commission's authority must be reinforced within the institution of which he is the head. He should be chosen by the European Council six months before the renewal of the Commission. He should be consulted by Governments on the selection of Members of the Commission, and should have the last word on the allocation of portfolios.

It is essential that the Commission should maintain an active role in the Community. It represents the interests of Europe as a whole and not a compromise between different points of view. It should set up at the start of its term of office a general programme which can be revised at least once a year, in harmony with priorities defined by the European Council. It should organize the application of its resources on the basis of this programme, taking account of the capacity of the Council machine. The production and handling of "harmonization" proposals need careful planning. The Commission should consult States, where necessary, at a high political level and should avoid repeated low-level consultations on the policy aspects of its drafts.

It should participate actively in the work of the Council, modifying its proposals and suggesting compromises.

The Council, for its part, must delegate more of the implementation of new policies to the Commission. Ways must be found, for example by the development of stock formulae and political understandings between the institutions, to eliminate the obstacles which have blocked certain delegations in the past.

This report makes no claim to pronounce on the process of evolution which the European Parliament may go through following its election by direct universal suffrage. But we can suggest certain adjustments which are necessary in relations between the Parliament and the other institutions. In this context, closer contacts must be developed between the Parliament and the Commission. The latter must present its programme to the Parliament for debate. It must work out with the Parliament a six-monthly programme for consultative work. Above all, the Commission must make a more serious response to the Parliament's Resolutions. The Council, too, should take these Resolutions more seriously. It is up to the Presidency to draw them to Member States' attention and to develop personal contacts with the Parliament. The institutions should try to agree on practical improvements to tackle the difficulties arising in the implementation of the "conciliation" procedure. Finally, the President of the European Council should appear once every six months before the Parliament, so as to achieve a direct dialogue at the highest level between the two organs. In the interests of the Community, balanced relations need to be maintained between the three points of the Commission-Council-Parliament triangle.

The Court of Justice has presented suggestions itself for resolving its problems. Solutions should be found by discussion between the institutions. The same applies to the Court of Auditors. The Economic and Social Committee faces more serious difficulties. In these times of crisis, the Community needs an efficient mechanism for consultation with the social partners. We make some

suggestions for reaffirming the Economic and Social Committee's role in socio-economic consultations in the Community, and also for increasing the effectiveness of the Tripartite Conference, the Standing Committee on Employment and the Joint Committee system.

In this whole study, we have taken account of the prospective enlargement of the Community to twelve members. Our technical proposals designed to improve the transparency, coherence and efficiency of the Community institutions are based on experience of a Community of nine members, but they can do much to ease the functioning of a Community of Twelve.

However, enlargement will not add only to the "lourdeur" of the institutions. It will also extend the range of differing circumstances and interests among Member States. Any system of a "two-speed" Europe which created differences of status between Member States must in our view be rejected. Differentiated solutions for the application to Member States of policies decided in common may however prove useful in some cases, as they have in the present-day Community. Certain safeguards should be applied whenever they are used.

The Community of Twelve will have nine official languages. Any attempt to limit systematically and by compulsion the use of any national language would be unjust as well as politically impractical. But the costs and complications will be on a scale to make it essential that pragmatic arrangements are found allowing the number of interpreters to be reduced according to the nature of each meeting.

We have also reflected on the problems likely to face Europe in the next few years. This period will be a difficult one for Europe. Everything points to a relatively low rate of economic growth, accompanied and aggravated by monetary disturbances and difficulties in the energy market. The unemployment problem will lead to social and political tensions. The prospects for the Community's future, and for progress towards European Union, will depend on how it copes with this continuing crisis. The

Community's Member States must maintain their solidarity both in the active sense - i.e. mutual aid - and in the passive sense of abstaining wherever possible from action likely to cause problems for other members. Much resolve and political intelligence will be needed to counter the pressures for protectionism which are bound to arise both in the enlarged Community's internal trade and in its dealings with the outside world.

The priorities which the Community sets itself in dealing with these challenges must be flexible enough to allow adjustment to changing circumstances. They must be based on a realistic appreciation of the scope for Community action. The first and greatest task is the maintenance and consolidation of the acquis, with any adjustments that modern conditions may demand. In dealing with the outside world the Community and its Member States must act in the most united way possible both on the economic and on the political front. The solidarity between States must be given practical expression, whether it be in joint action to face up to the energy crisis, in mutual aid for other emergencies, or in the development of efforts for greater monetary stability such as are reflected in the European Monetary System. Priorities of this kind should help the Community not only to survive the immediate dangers, but also to lay the practical foundations for progress in the longer term.

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BRUSSELS, 24 March 1980

REPORT BY THE MINISTERS FOR FOREIGN AFFAIRS  
TO THE  
EUROPEAN COUNCIL,  
DRAWN UP BY THE PRESIDENCY

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Subject: Report from the Three Wise Men.

At its meeting in Dublin on 29 and 30 November 1979, the European Council asked the Ministers for Foreign Affairs, meeting in the appropriate framework, to study this Report by way of preparing for its examination at the next meeting of the European Council.

The Ministers for Foreign Affairs have studied the Report at two meetings, in Varese on 7 February 1980 and in Brussels on 17 March 1980.

It emerged from their examination that while there was a broad consensus of opinion on many suggestions put forward by the Three Wise Men, others would still require closer examination. The Ministers for Foreign Affairs therefore considered that the European Council might instruct them to complete the study which they have begun, in time for its meeting in Venice on 12 and 13 June 1980.

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However, as a new Commission is to be appointed to take office on 5 January 1981, the Ministers for Foreign Affairs would suggest that, at its meeting on 31 March and 1 April 1980, the European Council discuss two of the suggestions in the Report from the Three Wise Men:

- the procedure for appointing the President of the Commission;
- the composition of the Commission.

The arguments tentatively put forward on these two points are given in the Annex.

In the Presidency's opinion, the Governments of the Member States and the Council of the European Communities could be called upon to exercise their respective powers on these two points in the light of whatever conclusions are reached by the European Council.



Summary of the discussions of the Ministers for Foreign Affairs on the:

- appointment of the President of the Commission
- composition of the Commission

A. Appointment of the President of the Commission

The Report from the Three Wise Men suggests that the President of the Commission be personally selected by the European Council at least six months before the other Members of the Commission.

The general view emerging from the discussions of the Ministers for Foreign Affairs on this point was that the President of the Commission should be appointed a sufficiently long time before taking up his duties and prior to the start of the process of appointing the other Members of the Commission.

B. Composition of the Commission

In view of the prospective enlargements of the Community, the Report from the Three Wise Men suggests that the number of Members of the Commission be reduced to one per Member State, chiefly for the sake of efficiency.

The discussions of the Ministers for Foreign Affairs on this point have revealed three possibilities so far:

1. A reduction in the number of Commissioners to one per Member State, as suggested in the Report from the Three Wise Men. Both they and the representatives who were in favour of such a reduction advanced as their prime reason the desire for efficiency and the difficulty of achieving a balanced allocation of tasks among too large a number of Commissioners.

The representatives who said they could agree to a reduction in the number of members of the Commission thought that, if the number of the Commissioners was reduced, this should not involve any loss of powers for each of them individually nor any compensation in the distribution of portfolios among the members of the Commission overall.

2. Maintenance of the principle on which the number of members of the Commission is currently determined.

In the view of those representatives supporting this option, maintaining this principle would make it possible:

- to preserve the present balance in the composition of the Commission and the political significance thereof;
- to avoid the Commission becoming like an intergovernmental body;
- to ensure a more balanced representation of the major European political groupings within the Commission.

Although they shared the wish expressed by others to see greater efficacy on the part of the Commission these representatives said that the objective sought by the Three Wise Men - optimum operation of the Commission - could possibly be achieved otherwise than by reducing the number of Commissioners to one per Member State, for example by means of an effort by the Commission to re-define the portfolios it assigned to each of its members.

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3. The third possibility would involve provisionally maintaining the principle of allocation currently in force on the understanding that a reduction would be made at the time of the next accession to the European Communities after that of Greece.

It was pointed out in support of such a transitional solution

- that it would be difficult between now and the end of 1980 to achieve any reduction in the number of Commissioners;
- that other means designed to complement a reduction in the number of Commissioners in order to achieve the desired level of efficiency could be studied in the meantime.

In opposition to this solution, it was pointed out that any reduction in the number of Commissioners at the time of the next accession to the European Communities after that of Greece might fall in 1983, i.e. during the next Commission's term. This would entail not inconsiderable difficulties for the functioning of the new Commission.

## ORGANISATION OF EUROPEAN COUNCIL MEETINGS

1. Prior to the European Council meeting in Rome at the end of March, the Presidency circulated a paper (COREU NO. CPE/MUL/ETR 1160 of 23 March 1977) which sought to establish points of agreement which had emerged from the correspondence between Heads of Government about the ways in which the organisation of European Council meetings might be improved. In the light of the discussion at that meeting, which was followed up by Foreign Ministers on 5 April, the following points are understood to represent a generally acceptable framework for the organisation of future meetings:

(A) TYPES OF DISCUSSION

There is general agreement that the European Council should have both:

- (i) Informal exchanges of view of a wide-ranging nature held in the greatest privacy and not designed to lead to formal decisions or public statements.
- (ii) Discussions which are designed to produce decisions, settle guidelines for future action or lead to the issue of public statements expressing the agreed view of the European Council.

It is also recognised that the European Council will sometimes need to fulfil a third function, namely to settle issues outstanding from discussions at a lower level. In dealing with matters of Community competence the European Council will conform to the appropriate procedures laid down in the Community Treaties and other agreements.

(B) ADVANCE PREPARATION OF THE AGENDA

For informal exchanges of view, it is generally agreed that little preparation is necessary, although some limited prior clarification of the questions is not to be excluded if it would facilitate discussion. Heads of Government should inform each other or the Presidency, a few days beforehand, of the subjects which they will wish to discuss. There is

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general agreement that there should be adequate preparation of those discussions which are aimed at reaching decisions or issuing statements. Foreign Ministers should have responsibility for such preparation, which could take place in the Council or the Political Cooperation machinery as appropriate, and will wish to meet at an appropriate time, and if necessary to hold a special meeting before the European Council, for this purpose.

(C) THE ISSUING OF STATEMENTS

It is generally agreed that the European Council will wish to make public its decisions on some subjects or sometimes to issue a statement registering a concerted Community opinion on a topic of international concern. Such statements should not, other than in exceptional circumstances, be issued without advance preparation. A list of the subjects on which it is proposed statements should be issued should be drawn up 2-3 weeks in advance.

(D) THE RECORDING OF CONCLUSIONS

There should be no record of the informal exchanges of view between Heads of Government. For the discussions aimed at reaching decisions or issuing statements there should be a written record of conclusions, which should be issued on the authority of the Presidency.

(E) ATTENDANCE OF OFFICIALS

There is general agreement that the exchanges of views should be as intimate as possible and that attendance should be restricted as at present.